

VZCZCXYZ0006
RR RUEHWEB

DE RUEHC #2497 3570009
ZNR UUUUU ZZH
R 221933Z DEC 06
FM SECSTATE WASHDC
TO RUEHFR/AMEMBASSY PARIS 7671
RUEHRL/AMEMBASSY BERLIN 2150
RUEHRO/AMEMBASSY ROME 8197
RUEHKO/AMEMBASSY TOKYO 5428
RUEHUL/AMEMBASSY SEOUL 1411
RUEHBS/USEU BRUSSELS
INFO RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

UNCLAS STATE 202497

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SENSITIVE
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E.O. 12958: N/A

TAGS: ECON ETRD OTRA FR GR IT JA KS EUN

SUBJECT: IDENTIFICATION OF GOVERNMENT MEASURES THAT
ENHANCE THE COMPETITIVENESS OF THE STEEL INDUSTRY

(U) THIS IS AN ACTION REQUEST FOR STEEL POLICY OFFICERS. SEE
PARAGRAPH 5.

¶1. (SBU) IN RECOGNITION OF THE STRATEGIC IMPORTANCE OF THE NORTH AMERICAN STEEL INDUSTRY, THE THREE NAFTA GOVERNMENTS AGREED IN 2005 TO PURSUE A NORTH AMERICAN STEEL STRATEGY TO PROMOTE GROWTH, COMPETITIVENESS, AND PROSPERITY. THE STRATEGY IS A "SIGNATURE ISSUE" UNDER THE NORTH AMERICAN SECURITY PARTNERSHIP (SPP) THAT WAS DEVELOPED AND IS BEING IMPLEMENTED THROUGH THE NORTH AMERICAN STEEL TRADE COMMITTEE (NASTC).

¶2. (SBU) THE NASTC, WHICH CONSISTS OF REPRESENTATIVES FROM THE NAFTA GOVERNMENT AND NORTH AMERICAN STEEL INDUSTRIES, ESTABLISHED AS ONE OF THE GOALS OF THIS STRATEGY A PLAN TO STRENGTHEN INNOVATION AND MARKET DEVELOPMENT. THE PLAN IS INTENDED TO GIVE INCREASED VISIBILITY TO ONGOING PRIVATE AND PUBLIC PROGRAMS, IDENTIFY NEW INITIATIVES, AND IDENTIFY OR DEVELOP LINKAGES BETWEEN THESE INITIATIVES AND EFFORTS TO ADVANCE A PRO-MANUFACTURING AGENDA. THE FOCUS WILL BE ON SUSTAINABILITY, TECHNOLOGY, AND ATTRACTING ENGINEERS TO THE STEEL INDUSTRY.

¶3. (SBU) AS A FIRST STEP, A WORKING GROUP OF THE NASTC PREPARED AN INVENTORY OF EXISTING INITIATIVES, PRIMARILY AT THE NATIONAL LEVEL, IN NAFTA COUNTRIES IN THE FOLLOWING AREAS: R&D, EDUCATION, AND TRAINING.

¶4. (SBU) AS A NEXT STEP, THE NASTC WORKING GROUP IS REFINING ITS INVENTORY AND GATHERING ADDITIONAL INFORMATION ABOUT SUCCESSFUL PROGRAMS IN THESE AREAS ON BOTH A NAFTA-WIDE BASIS AND IN OTHER COUNTRIES. THE PURPOSE OF THESE EXERCISE IS TO LEARN MORE ABOUT INITIATIVES THAT ARE WORKING WELL AND TO EXPLORE GLOBAL BEST PRACTICES. THE NAFTA STEEL INDUSTRIES PLAN TO CONDUCT THEIR OWN RESEARCH AND ARE WORKING THROUGH THEIR OWN INDUSTRY CONTACTS, INCLUDING THE INTERNATIONAL IRON AND STEEL INSTITUTE, TO COMPILE INFORMATION ON THIS TOPIC.

¶5. (SBU) TO ASSIST IN THIS EFFORT, WE ARE REQUESTING POST (EU COMMISSION, EU MEMBER STATES GERMANY, FRANCE, AND ITALY, AND JAPAN AND SOUTH KOREA) TO IDENTIFY INITIATIVES OFFERED BY GOVERNMENTS IN THESE COUNTRIES THAT ARE DESIGNED TO ENHANCE THE COMPETITIVENESS OF THEIR STEEL INDUSTRIES, FOCUSING ON R&D, EDUCATION, AND TRAINING. THESE PROGRAMS SHOULD INCLUDE GOVERNMENT PROGRAMS AS WELL AS PUBLIC/PRIVATE SECTOR COOPERATION. ADDITIONAL INFORMATION REGARDING THE USEFULNESS/SUCCESS OF THESE INITIATIVES WOULD ALSO BE MUCH APPRECIATED. OUR INTENT IS TO COMPLETE THIS INVENTORY IN EARLY FEBRUARY, SO WE WOULD APPRECIATE YOUR RESPONSE BY JANUARY 31.

**¶6. (U) FOR ADDITIONAL INFORMATION, PLEASE CONTACT
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RICE